

# MATRIX ADVISORS VALUE FUND, INC.

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July 31, 2019

Dear Fellow Shareholder:

The Matrix Advisors Value Fund posted a gain of +3.99% in the second quarter of 2019, modestly ahead of the Russell 1000 Value Index's +3.84% gain but lagging the more growth/technology-oriented S&P 500 Index's return of +4.30%.

Disclosure Note:

Gross Expense Ratio: 1.17%  
Net Expense Ratio: 0.99%\*\*

*Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 800-366-6223 or by visiting [www.matrixadvisorsvaluefund.com](http://www.matrixadvisorsvaluefund.com).*

\*\* The Advisor has contractually agreed to reduce fees through 10/31/19.

Investment performance reflects fee waivers in effect. In the absence of such waivers, total return would be reduced. Matrix Asset Advisors became the sub-advisor on July 1, 1996 and Advisor to the Fund on May 11, 1997. Prior to those dates, the Fund was managed by another advisor.

The Fund's Net Asset Value on 6/30/19 was \$68.01.

For the first six months of the year (12/31/18 - 6/30/2019), the Fund was up +16.28% versus up +16.24% for the Russell 1000 Value Index and a gain of +18.54% for the S&P 500 Index.

For the fiscal year (6/30/18 - 6/30/19), the Fund was up +5.25% versus the Russell 1000 Value Index's +8.46% return and the S&P 500 Index's return of +10.42%. A detailed discussion of performance in 2019 is provided in the attached letter.

The Fund's best performing sector in Q2 was Technology followed by Financials and Consumer Staples. Energy was a notable laggard. For the first six months of 2019, Technology, Financials and Communications Services were the sectors that contributed the most to the Fund's portfolio returns. Energy and Health Care were relative underperformers. We continue to have a positive outlook on this year's underperforming sectors and expect them to contribute to results over the balance of the year.

Going forward, we expect the stock market to continue to be volatile in the back half of 2019, like it was in the second quarter, but ultimately to move higher if there is any real progress in the China trade discussions.

We are optimistic about the Fund's prospects for the balance of the year. We believe that the Fund is well positioned for the economic environment we foresee and should in our view benefit from strong business fundamentals, growing

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earnings and cash flow, and very attractive valuations. At June 30, 2019, the Fund's appreciation potential was well above our historic average and the projected price/earnings ratio was at a significant discount to the market<sup>1</sup>.

Matrix partners and associates are among the Fund's largest shareholders and our interests are directly aligned with yours. We believe the current portfolio should be positioned to return to favorable investment returns. We thank you for your continued support and confidence in the Fund.

Sincerely,



David A. Katz, CFA  
Fund Manager

**Past performance is not a guarantee of future results.**

Diversification does not guarantee a profit or protect from loss in a declining market.

**Earnings growth is not representative of the Fund's future performance.**

Please refer to the Schedule of Investments in this report for details on Fund holdings. Fund holdings and sector allocations are subject to change at any time and are not recommendations to buy or sell any security.

The information provided herein represents the opinion of the Matrix Advisors Value Fund management and is not intended to be a forecast of future events, a guarantee of future results, nor investment advice.

The S&P 500 Index is a broad-based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general.

The Russell 1000® Value Index measures the performance of those Russell 1000® Index companies with lower price-to-book ratios and lower forecasted growth values.

Price to earnings (P/E) ratio is a common tool for comparing the prices of different common stocks and is calculated by dividing the current market price of a stock by the earnings per share.

Cash flow is the net amount of cash and cash-equivalents being transferred into and out of a business.

Basis points refers to a common unit of measure for interest rates and other percentages in finance. One basis point is equal to 1/100th of 1%, or 0.01%, or 0.0001, and is used to denote the percentage change in a financial instrument.

It is not possible to invest directly in an index.

Must be preceded or accompanied by a prospectus.

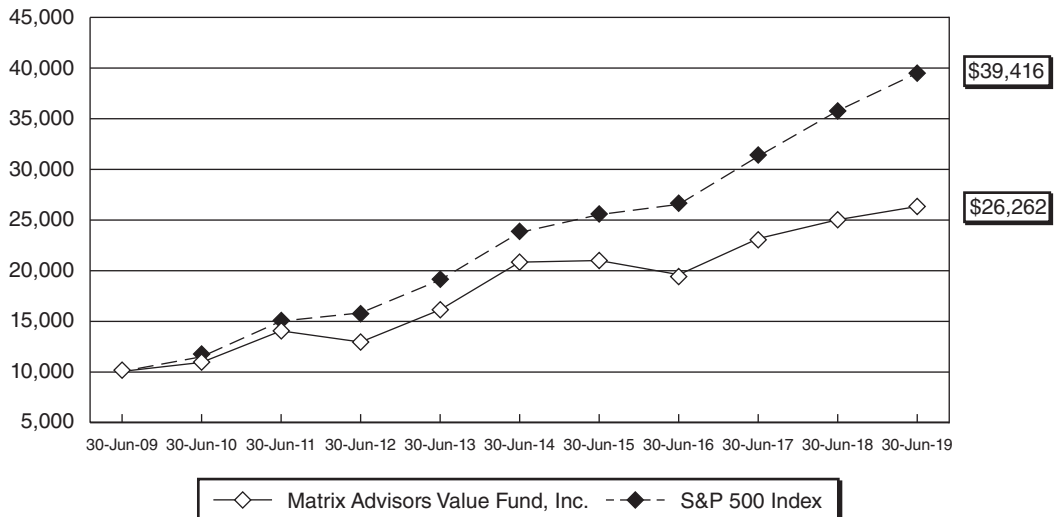
**Mutual fund investing involves risk. Principal loss is possible. The stock of value companies can continue to be undervalued for long periods of time and not realize its expected value. The value of the Fund may decrease in response to the activities and financial prospects of an individual company.**

The Matrix Advisors Value Fund is distributed by Quasar Distributors, LLC.

<sup>1</sup> For the purposes of this commentary, all references to the stock market's performance pertains to the S&P 500 Index.

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**Matrix Advisors Value Fund, Inc.**  
Value of \$10,000 vs S&P 500 Index



### Average Annualized Total Return Periods Ended June 30, 2019

	One Year	Five Years	Ten Years
Matrix Advisors Value Fund, Inc.	5.25%	4.80%	10.14%
S&P 500 Index*	10.42%	10.71%	14.70%

The graph above illustrates the performance of a hypothetical \$10,000 investment made in the Fund and the S&P 500 Index ten years ago. All returns in the graph and table above reflect the reinvestment of dividends and distributions, but do not reflect the deduction of taxes that an investor would pay on distributions or redemptions. The graph and table above do not imply any future performance.

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by visiting [www.matrixadvisorsvaluefund.com](http://www.matrixadvisorsvaluefund.com).

\* The S&P 500 Index is a broad based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general.

# MATRIX ADVISORS VALUE FUND, INC.

## **Matrix Advisors Value Fund, Inc. Capital Markets Commentary and Quarterly Report: 2<sup>nd</sup> Quarter 2019 and Annual Review**

After a good deal of ups and downs, the stock market ended higher in the second quarter of 2019, building on its first quarter gains. The market's advance this year has been driven by steady economic growth, growing corporate profits and dividends, low interest rates and attractive stock market valuations. The latest revised Q1 GDP growth was +3.1%, unemployment is near a 50-year low, S&P 500 profits in the most recent quarter were up an estimated 4%, interest rates are at historically low levels and the year started with the S&P 500 Index's forward P/E multiple at 14.4x, below the 20-year average of 15.8x<sup>2</sup>.

So far, 2019 has played out as we expected at the beginning of the year, a strong stock market rally with heightened volatility including periodic sharp declines.

After a strong April, the market retreated in May when trade negotiations between the U.S. and China reached an impasse following U.S. claims that China had walked back some agreed-upon terms and President Trump responded by threatening tariffs on \$300 billion more of Chinese imports. This stock market sell-off and negativity was then followed by an equally sharp recovery when the President softened his rhetoric and said that he was interested in further talks with Chinese President Xi at the G20 meeting. After their meeting, President Trump said that he would not impose any new tariffs on Chinese exports while the talks were underway and backtracked on a ban on sales of American equipment to Huawei, the Chinese telecom giant.

We continue to be hopeful that the U.S. and China will ultimately reach a good trade deal but are less confident than earlier in the year, based on the many false starts and shifting strategies on both sides.

Going forward, we expect the stock market to continue to be volatile in the back half of 2019, like it was in the second quarter, but ultimately to move higher if there is any real progress in the China trade discussions. Part of our optimism on trade stems from the idea that resolving the situation would likely improve economic and stock market progress in the next 6 to 12 months, which is clearly in the President's interest for his re-election ambitions. A failure in this area would likely weaken the economy and stock market, taking away one of the President's strongest talking points about his first term.

We think market and sector volatility will also be heightened by political rhetoric and positions that are discussed by the Democratic candidates. There has been a significant movement to the left as they try to stand out in a crowded Presidential hopeful field. Having been through multiple decades of Presidential and mid-term election cycles, while it is critical to pay attention in terms of where our government is going, it has been far less important in terms of handicapping eventual market moves.

<sup>2</sup> Source: JP Morgan - *Guide to the Market* - 12/31/18.

# MATRIX ADVISORS VALUE FUND, INC.

The best performing stock market sector in Q2 was Financials and the worst was Energy. For the first six months of the year, the best performing market sector was Technology and the worst was Health Care.

Bond prices also rallied strongly in Q2, something we did not expect. While some of the move can be explained by the change in the Fed's guidance about interest rates, weakening economic data out of Europe and China, a modest softening of the U.S. economy and concerns about the impact from the recent escalation in trade issues between China and the U.S., we think it is also being driven by the massive decline in European interest rates.

As of June 30, 2019, there were \$13 trillion of global bonds with negative interest rates<sup>3</sup> created by the European and Japanese Central Bank's policies to stimulate their economies. While 2.5% to 3% 10-year U.S. Treasuries are not attractive by U.S. standards over the past 5 decades, when compared to less than zero available in Europe and Japan, they were very attractive to global fixed income investors, driving our yields much lower than we think they should be based on the latest U.S. economic data.

During the second quarter, U.S. Treasury rates fell across the yield curve. The closely watched 10-year bond yield declined by 40 basis points to 2.01%, its lowest rate since 2016.

In the oil market, after rising 27% in Q1, Brent crude finished down 2.7% in Q2, at \$66.55 a barrel. During the quarter, the price fluctuated widely, first sharply lower on concerns about oversupply and lower demand, and then higher on worries about supply risk after two tankers were attacked in the Gulf of Oman. Since the end of the quarter, a modest improvement in the tone of the trade discussions coupled with continued Middle East tensions and the Organization of the Petroleum Exporting Countries' (OPEC) agreement to extend production cuts through March 2020 have caused prices to continue to drift higher.

## **Fund Portfolio and Outlook**

Looking ahead, we think the U.S. economy and corporate profits are slowing but still growing. The deceleration is partly because of a slowdown in global growth and partly because of difficult comparisons against last year's strong numbers, which were boosted by the tax cut and increased government spending. Uncertainty over trade tensions has also undoubtedly negatively affected business investment and manufacturing.

On the positive side, consumer incomes, spending and confidence have remained strong and low interest rates should provide an ongoing stimulus. We think the path forward depends in large part on how trade negotiations progress. On balance, we come out on the side that the U.S. economy will find a way to muddle through with a lot of market anxiety along the way. We think the President's election prospects are critically dependent on the economy's continued health and he will ultimately make a deal to keep the economy and the stock market rolling.

<sup>3</sup> *Barron's* - 7/01/19

# MATRIX ADVISORS VALUE FUND, INC.

Consensus earnings expectations for the year are for growth of more than 9%, more than enough to support higher stock prices from here. At June 30, 2019, the forward P/E on the S&P 500 Index was 16.7x, a point higher than the 20-year average<sup>4</sup>, but still reasonable in the current low interest rate environment.

The Fund's portfolio is trading at a lower multiple than the overall market, and we believe stocks are much more attractive than bonds from current levels.

In terms of market sectors, we are especially positive about Financials, Industrials and Communication Services. We are more cautious about Utilities and Real Estate as they are at the upper end of their valuation ranges. We also think that after a great run in the past 6 months, Consumer Staples should slow, and we have been scaling back some of our positions in this area.

Regarding Financials, we remain very bullish on the group despite the headwind caused by lower interest rates. Well run Financial companies have adjusted their business models to be quite profitable, even in a lower interest rate world. The largest 18 banks recently had a very strong showing in the Federal Reserve's stress test with all passing and demonstrating the strongest capital ratios and balance sheets in decades.

The Financial stocks in our portfolio not only passed the stress test but also received very favorable approvals regarding their plans to return capital to shareholders through dividend increases and share buybacks. On average, our stocks were approved to buy back 7.4% of their shares outstanding and were allowed to increase their dividend by 15.9%, bringing the banking group's dividend yield up to 3.2%.<sup>5</sup> In addition, while Financials are expected to continue to grow their earnings this year and have these very favorable buyback and dividend programs, the group trades at the lowest forward P/E multiple of any market sector (11.9x versus the S&P 500 16.7x)<sup>4</sup> and below its 20-year average.

The biggest risk we see in the equity market remains a trade war with China, but as noted earlier, we are hopeful that the President will find a way to reach a deal and declare victory.

We anticipate a lot of market volatility during the year, driven by continued geopolitical uncertainty and economic fits and starts, heightened by political tension and inflammatory rhetoric as the presidential election campaign moves into a higher gear.

## **Fund Annual Fiscal Year Review**

For the fiscal year (6/30/18 - 6/30/19), the Fund was up +5.25% versus the Russell 1000 Value Index's +8.46% return and the S&P 500 Index's return of +10.42%. Performance returns for the Fund were led by strong results in the Technology and Communication Services sectors. Weak returns in the Energy and Financial sector detracted from performance.

As discussed above, we are quite optimistic about the Fund's prospects in the coming year. We think the Fund's holdings are undervalued relative to their strong operating performance and that the recent stock market volatility has created a number of very attractive investment opportunities.

<sup>4</sup> Source: JP Morgan - *Guide to the Market* - 6/30/19.

<sup>5</sup> Source: Matrix, June 30<sup>th</sup>, 2019.

# MATRIX ADVISORS VALUE FUND, INC.

## 2<sup>nd</sup> Quarter Review and Outlook

The Matrix Advisors Value Fund posted a gain of +3.99% in the second quarter. The Fund's best performing sector in Q2 was Technology followed by Financials and Consumer Staples. Energy was a notable laggard. For the first six months of 2019, Technology, Financials and Communications Services were the sectors that contributed the most to the Fund's portfolio returns. Energy and Health Care were relative underperformers. We continue to have a positive outlook on this year's underperforming sectors and expect them to contribute to results over the balance of the year.

In terms of Energy, the sector and our holdings have significantly lagged the increase in oil prices and a higher stock market, even though the fundamentals and cash flows for the stocks have showed significant improvement. We believe the stocks are due for a significant catch-up in upcoming periods, especially as the stock market starts to factor in \$60 oil to the companies' cash flow and earnings power.

During the quarter, the Fund started a new position in FedEx (FDX), a global transportation company providing overnight delivery of packages and documents. FDX shares have been poor performers because the company has made several reductions to its earnings guidance over the past year due to a combination of unexpected difficulties integrating a large acquisition (TNT Express), lower global trade package volume and customers choosing less profitable delivery options. Additionally, investors have penalized the company's valuation on concerns over the threat of new competition from Amazon. The shares are trading at a low absolute valuation (11x next 12 months' earnings) and a significant discount to its historic valuation. We think FedEx is on a clearly defined path to resolve its internal issues and is poised to show a nice rebound in its earnings as trade tensions abate and global economic growth rebounds. We believe that the global e-commerce business is growing at such a rapid clip that FedEx should continue to prosper even as it moves away from Amazon as a customer.

In addition to buying FedEx, the Fund added to positions in CVS Health and Symantec. The Fund trimmed positions in PepsiCo and Qualcomm.

Looking ahead, we are optimistic about the Fund's prospects for the balance of the year, based on attractive valuation and strong fundamentals. At June 30, 2019, the Fund's appreciation potential was well above its historic average and the projected price/earnings ratio was at a significant discount to the market.

\* \* \*

We thank you for your continued confidence and truly value our relationship with you. In October, Matrix will celebrate our 33<sup>rd</sup> anniversary in the business of helping clients successfully navigate the ever-changing investment landscape. Please know, we are as committed and motivated today as we were when we founded the firm in 1986 and our goal is to provide the very best investment advice and client service to help you reach your financial objectives.

We hope you are enjoying the summer.

Best regards.

# MATRIX ADVISORS VALUE FUND, INC.

## Expense Example (Unaudited)

As a shareholder of the Fund, you incur ongoing costs including advisory fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of \$1,000 invested at the beginning of the period indicated and held for the entire period from January 1, 2019 to June 30, 2019.

### *Actual Expenses*

The information in the table under the heading “Actual Performance” provides information about actual account values and actual expenses. You may use the information in these columns together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the row entitled “Expenses Paid During Period” to estimate the expenses you paid on your account during this period.

### *Hypothetical Example for Comparison Purposes*

The information in the table under the heading “Hypothetical Performance (5% return before expenses)” provides information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only. Therefore, the information under the heading “Hypothetical Performance (5% return before expenses)” is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

<b>EXPENSE EXAMPLE</b>	<b>ACTUAL PERFORMANCE</b>	<b>HYPOTHETICAL PERFORMANCE (5% RETURN BEFORE EXPENSES)</b>
Beginning Account Value (1/1/19)	\$1,000.00	\$1,000.00
Ending Account Value (6/30/19)	\$1,162.80	\$1,019.89
Expenses Paid During Period <sup>1</sup>	\$ 5.31	\$ 4.96

(1) Expenses are equal to the Fund’s annualized expense ratio of 0.99% multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period).



# MATRIX ADVISORS VALUE FUND, INC.

## SECTOR BREAKDOWN

Financials	26.0%
Information Technology	19.5%
Health Care	15.2%
Communication Services	14.8%
Energy	8.6%
Industrials	7.3%
Consumer Staples	4.8%
Consumer Discretionary	<u>3.3%</u>
Total Investments	99.5%
Short-Term Investments, net of Other Assets	<u>0.5%</u>
Total Net Assets	<u><u>100.0%</u></u>

The table above lists sector allocations as a percentage of the Fund's total investments as of June 30, 2019.

**MATRIX ADVISORS  
VALUE FUND, INC.**

**Schedule of Investments**

June 30, 2019

SHARES	VALUE
<b>COMMON STOCKS - 99.5%</b>	
<b>BANK (MONEY CENTER): 4.8%</b>	
23,100 JPMorgan Chase & Co. ....	\$ 2,582,580
<b>BANK (PROCESSING): 2.6%</b>	
25,100 State Street Corp. ....	1,407,106
<b>BANK (REGIONAL): 2.6%</b>	
28,500 BB&T Corp. ....	1,400,205
<b>BANK (SUPER REGIONAL): 3.7%</b>	
42,300 Wells Fargo & Co. ....	2,001,636
<b>BEVERAGES: 2.6%</b>	
10,550 PepsiCo, Inc. ....	1,383,422
<b>BIOTECHNOLOGY: 3.4%</b>	
27,200 Gilead Sciences, Inc. ....	1,837,632
<b>BROADCASTING/CABLE TV: 3.1%</b>	
32,900 CBS Corp. - Class B ....	1,641,710
<b>CABLE TV: 3.3%</b>	
42,300 Comcast Corp. - Class A ....	1,788,444
<b>COMPUTER AND PERIPHERALS: 1.9%</b>	
5,000 Apple, Inc. ....	989,600
<b>COMPUTER SOFTWARE AND SERVICES: 6.6%</b>	
19,900 Microsoft Corp. ....	2,665,804
41,000 Symantec Corp. ....	892,160
	3,557,964
<b>CONSUMER DISCRETIONARY (MULTI-MEDIA): 2.7%</b>	
48,500 Viacom, Inc. - Class B ....	1,448,695
<b>DIVERSIFIED OPERATIONS: 2.8%</b>	
11,700 United Technologies Corp. ....	1,523,340

*The accompanying notes are an integral part of these financial statements.*

**MATRIX ADVISORS  
VALUE FUND, INC.**

**Schedule of Investments**

June 30, 2019 – Continued

<b>SHARES</b>	<b>VALUE</b>
<b>DRUG: 2.7%</b>	
20,000      AbbVie, Inc. ....	<u>\$ 1,454,400</u>
<b>DRUG STORE: 2.5%</b>	
24,200      CVS Health Corp. ....	<u>1,318,658</u>
<b>ELECTRICAL COMPONENT: 3.8%</b>	
21,500      TE Connectivity Ltd. ....	<u>2,059,270</u>
<b>FINANCIAL SERVICES: 2.7%</b>	
15,700      Capital One Financial Corp. ....	<u>1,424,618</u>
<b>FOOD PROCESSING RETAIL: 2.3%</b>	
22,400      Mondelez International, Inc. - Class A ....	<u>1,207,360</u>
<b>INSURANCE (DIVERSIFIED): 3.3%</b>	
35,800      MetLife, Inc. ....	<u>1,778,186</u>
<b>INTERNET: 1.8%</b>	
5,100      Facebook, Inc. - Class A* ....	<u>984,300</u>
<b>INTERNET (RETAIL): 3.3%</b>	
44,900      eBay, Inc. ....	<u>1,773,550</u>
<b>INTERNET SOFTWARE &amp; SERVICES: 3.9%</b>	
1,910      Alphabet, Inc. - Class C* ....	<u>2,064,538</u>
<b>MANUFACTURING - MISCELLANEOUS: 3.5%</b>	
22,500      Eaton Corp. Plc ....	<u>1,873,800</u>
<b>MEDICAL SUPPLIES: 3.2%</b>	
14,500      Zimmer Biomet Holdings, Inc. ....	<u>1,707,230</u>
<b>OIL &amp; GAS SERVICES: 2.6%</b>	
35,500      Schlumberger Ltd. ....	<u>1,410,770</u>
<b>OIL/GAS (DOMESTIC): 1.4%</b>	
27,000      Devon Energy Corp. ....	<u>770,040</u>
<b>PETROLEUM (INTEGRATED): 2.1%</b>	
9,200      Chevron Corp. ....	<u>1,144,848</u>

*The accompanying notes are an integral part of these financial statements.*

**MATRIX ADVISORS  
VALUE FUND, INC.**

**Schedule of Investments**

June 30, 2019 – Continued

SHARES	VALUE
<b>PETROLEUM (PRODUCING): 2.4%</b>	
25,100 Occidental Petroleum Corp. ....	\$ <u>1,262,028</u>
<b>PRECISION INSTRUMENTS: 3.5%</b>	
6,300 Thermo Fisher Scientific, Inc. ....	<u>1,850,184</u>
<b>SECURITIES BROKERAGE: 6.2%</b>	
36,000 Morgan Stanley .....	1,577,160
8,500 The Goldman Sachs Group, Inc. ....	<u>1,739,100</u>
	<u>3,316,260</u>
<b>TELECOMMUNICATIONS (EQUIPMENT): 7.2%</b>	
35,000 Cisco Systems, Inc. ....	1,915,550
25,300 QUALCOMM, Inc. ....	<u>1,924,571</u>
	<u>3,840,121</u>
<b>TRANSPORTATION - SERVICES: 1.0%</b>	
3,200 FedEx Corp. ....	<u>525,408</u>
<b>TOTAL COMMON STOCKS</b> (Cost \$35,629,355) .....	<u>\$53,327,903</u>
<b>SHORT-TERM INVESTMENTS - 0.3%</b>	
147,341 First American Government Obligations Fund, Class X - 2.30%** .....	<u>147,341</u>
<b>TOTAL SHORT-TERM INVESTMENTS</b> (Cost \$147,341) .....	<u>\$ 147,341</u>
<b>TOTAL INVESTMENTS</b> (Cost \$35,776,696): 99.8% .....	53,475,244
<b>OTHER ASSETS IN EXCESS OF LIABILITIES:</b> 0.2% .....	<u>131,987</u>
<b>TOTAL NET ASSETS:</b> 100.0% .....	<u><u>\$53,607,231</u></u>

\* Non-Income Producing

\*\* Rate quoted is seven-day yield at period end

*The accompanying notes are an integral part of these financial statements.*

**MATRIX ADVISORS  
VALUE FUND, INC.**

**Statement of Assets and Liabilities**

At June 30, 2019

**ASSETS:**

Investments in securities, at value (cost \$35,776,696) .....	\$53,475,244
Receivables:	
Investments sold .....	1,893,177
Fund shares sold .....	100
Dividends and interest .....	57,266
Prepaid expenses .....	<u>18,656</u>
<b>Total assets</b> .....	<u>55,444,443</u>

**LIABILITIES:**

Payables:	
Investments purchased .....	1,762,790
Due to advisor .....	24,399
Accrued expenses:	
Audit fees .....	20,808
Fund administration fees .....	10,175
Custody fees .....	2,400
Other expenses .....	<u>16,640</u>
<b>Total liabilities</b> .....	<u>1,837,212</u>

**NET ASSETS** ..... \$53,607,231

Number of shares authorized ..... 30,000,000

Number of shares, \$0.01 par value, issued and outstanding ..... 788,230

**Net Asset Value, Offering Price and Redemption Price Per Share** ..... \$ 68.01

**COMPONENTS OF NET ASSETS:**

Paid in capital .....	\$33,802,099
Total distributable earnings .....	<u>19,805,132</u>

**Net Assets** ..... \$53,607,231

*The accompanying notes are an integral part of these financial statements.*

**MATRIX ADVISORS  
VALUE FUND, INC.**

**Statement of Operations**

For the Year Ended June 30, 2019

**INVESTMENT INCOME**

**INCOME**

Dividend income .....	\$ 1,275,504
Interest income .....	<u>2,376</u>
Total income .....	<u>1,277,880</u>

**EXPENSES**

Advisory fees .....	403,632
Fund administration fees .....	67,271
Transfer agent and accounting fees .....	50,124
Professional fees .....	45,803
Federal and state registration fees .....	22,228
Custody fees .....	14,617
Reports to shareholders .....	13,764
Directors' fees and expenses .....	9,672
Other expenses .....	<u>10,793</u>
Total operating expenses .....	637,904
Less: Expense reimbursement by advisor .....	<u>(105,110)</u>
Net expenses .....	<u>532,794</u>
<b>Net investment income</b> .....	<u>745,086</u>

**REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS**

Net realized gain on investments .....	3,338,207
Net change in unrealized appreciation/depreciation on investments .....	<u>(1,360,220)</u>
<b>Net realized and unrealized gain on investments</b> .....	<u>1,977,987</u>

**NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS** ..... \$ 2,723,073

*The accompanying notes are an integral part of these financial statements.*

**MATRIX ADVISORS  
VALUE FUND, INC.**

<b>Statement of Changes in Net Assets</b>	<b>YEAR ENDED JUNE 30, 2019</b>	<b>YEAR ENDED JUNE 30, 2018</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>		
<b>OPERATIONS:</b>		
Net investment income .....	\$ 745,086	\$ 631,460
Net realized gain on investments .....	3,338,207	1,668,476
Net change in net unrealized appreciation/depreciation on investments .....	<u>(1,360,220)</u>	<u>2,439,605</u>
<b>Net increase in net assets resulting from operations .....</b>	<u><b>2,723,073</b></u>	<u><b>4,739,541</b></u>
<b>NET DISTRIBUTIONS TO SHAREHOLDERS .....</b>	<u><b>(3,913,961)</b></u>	<u><b>(1,564,287)<sup>(1)</sup></b></u>
<b>CAPITAL SHARE TRANSACTIONS:</b>		
Proceeds from shares sold .....	1,240,675	1,310,152
Proceeds from reinvestment of distributions .....	3,742,361	1,503,919
Cost of shares redeemed .....	<u>(5,577,219)</u>	<u>(9,227,931)</u>
<b>Net decrease from capital share transactions .....</b>	<u><b>(594,183)</b></u>	<u><b>(6,413,860)</b></u>
<b>Total decrease in net assets .....</b>	<u><b>(1,785,071)</b></u>	<u><b>(3,238,606)</b></u>
<b>NET ASSETS</b>		
Beginning of year .....	<u>55,392,302</u>	<u>58,630,908</u>
<b>End of year .....</b>	<u><b>\$53,607,231</b></u>	<u><b>\$55,392,302<sup>(2)</sup></b></u>
<b>CHANGE IN SHARES</b>		
Shares outstanding, beginning of year .....	787,049	877,084
Shares sold .....	18,564	18,733
Shares issued on reinvestment of distributions .....	64,657	21,034
Shares redeemed .....	<u>(82,040)</u>	<u>(129,802)</u>
<b>Shares outstanding, end of year .....</b>	<u><b>788,230</b></u>	<u><b>787,049</b></u>

<sup>(1)</sup> Includes net investment income distribution of \$685,944, and net realized gain distribution of \$878,343.

<sup>(2)</sup> Includes accumulated undistributed net investment income of \$296,421.

*The accompanying notes are an integral part of these financial statements.*

# MATRIX ADVISORS VALUE FUND, INC.

## Financial Highlights

For a capital share outstanding throughout each year

	YEARS ENDED JUNE 30,				
	2019	2018	2017	2016	2015
Net asset value, beginning of the year . . . . .	\$70.38	\$66.85	\$57.90	\$63.02	\$63.32
<b>Income (loss) from investment operations:</b>					
Net investment income . . . . .	0.95 <sup>(a)</sup>	0.75 <sup>(a)</sup>	1.03 <sup>(a)</sup>	1.27 <sup>(a)</sup>	0.77 <sup>(a)</sup>
Net realized and unrealized gain (loss) on investments . . . . .	1.84	4.65	9.47	(5.49)	(0.28)
Total from investment operations . . . . .	2.79	5.40	10.50	(4.22)	0.49
<b>Less distributions:</b>					
Dividends from net investment income . . . . .	(0.90)	(0.82)	(1.55)	(0.90)	(0.79)
Distributions from net realized gain . . . . .	(4.26)	(1.05)	—	—	—
Total distributions . . . . .	(5.16)	(1.87)	(1.55)	(0.90)	(0.79)
Paid-in capital from redemption fees (Note 2) . . . . .	—	—	0.00 <sup>(b)</sup>	0.00 <sup>(b)</sup>	0.00 <sup>(b)</sup>
Net asset value, end of year . . . . .	<u>\$68.01</u>	<u>\$70.38</u>	<u>\$66.85</u>	<u>\$57.90</u>	<u>\$63.02</u>
Total return . . . . .	5.25%	8.03%	18.22%	(6.66)%	0.77%
<b>Ratios/supplemental data:</b>					
Net assets, end of year (millions) . . . . .	\$ 53.6	\$ 55.4	\$ 58.6	\$ 55.1	\$ 73.8
<b>Ratio of operating expenses to average net assets:</b>					
Before expense reimbursement . . . . .	1.19%	1.17%	1.19%	1.16%	1.12%
After expense reimbursement . . . . .	0.99%	0.99%	0.99%	0.99%	0.99%
<b>Ratio of net investment income to average net assets:</b>					
Before expense reimbursement . . . . .	1.19%	0.89%	1.40%	2.03%	1.09%
After expense reimbursement . . . . .	1.39%	1.07%	1.60%	2.20%	1.22%
Portfolio turnover rate . . . . .	22%	18%	22%	15%	12%

<sup>(a)</sup> Calculated using the average shares method.

<sup>(b)</sup> Less than \$0.01.

*The accompanying notes are an integral part of these financial statements.*



# MATRIX ADVISORS VALUE FUND, INC.

## Notes to Financial Statements

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### NOTE 1 – ORGANIZATION

Matrix Advisors Value Fund, Inc. (the “Fund”) is a Maryland corporation registered under the Investment Company Act of 1940 (the “1940 Act”) as a diversified, open-end management investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (the “FASB”) Accounting Standard Codification Topic 946 “Financial Services – Investment Companies”. The Fund commenced operations September 16, 1983. The objective of the Fund is to achieve a total rate of return which is comprised of capital appreciation and current income.

### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

The Fund consistently follows the accounting policies set forth below which are in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

A. *Security Valuation.*

Securities traded on a national securities exchange are valued at the last reported sales price at the close of regular trading on each day the exchanges are open for trading. Securities traded on the NASDAQ Stock Market, LLC (“NASDAQ”) are valued at the NASDAQ Official Closing Price, which may not necessarily represent the last sale price. Quotations of foreign securities, currencies and other assets denominated in foreign currencies are translated into U.S. dollars at the exchange rate of such currencies against the U.S. dollar, as provided by an independent pricing service or reporting agency. Foreign currency exchange rates generally are valued at the last sale price at the close on an exchange on which the security is primarily traded. Securities traded on an exchange for which there have been no sales are valued at the mean between the last reported bid and the asked quotes, or the last sale price when appropriate.

Securities for which quotations are not readily available are stated at their respective fair values as determined in good faith by the Fund’s valuation committee and pricing committee of Matrix Asset Advisors, Inc. (the “Advisor” or “Matrix”), the Fund’s investment advisor, in accordance with procedures approved by the Board of Directors of the Fund. In determining fair value, the Fund takes into account all relevant factors and available information. Consequently, the price of the security used by the Fund to calculate its net asset value (“NAV”) per share may differ from quoted or published prices for the same security. Fair value pricing involves subjective judgments and there is no single standard for determining a security’s fair value. As a result, different mutual funds could reasonably arrive at a different fair value for the same security. It is possible that the fair value determined for a security is materially different from the value that could be realized upon the sale of that security or from the values that other mutual funds may determine.

Investments in other funds are valued at their respective NAVs as determined by those funds for purchase and/or redemption orders placed on that day, in accordance with the 1940 Act.

Foreign securities are recorded in the financial statements after translation to U.S. dollars based on the applicable exchange rate at the end of the period. The Fund does not isolate that portion of the results of operations arising as a result of changes in the currency exchange rate from the fluctuations arising as a result of changes in the market prices of investments during the period.

# MATRIX ADVISORS VALUE FUND, INC.

## Notes to Financial Statements, Continued

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*B. Shares Valuation.*

The NAV per share of the Fund is calculated by dividing the sum of the value of the securities held by the Fund, plus cash or other assets, minus all liabilities (including estimated accrued expenses), by the total number of shares outstanding of the Fund, rounded to the nearest cent. The Fund's shares will not be priced on the days on which the New York Stock Exchange ("NYSE") is closed for trading. The offering and redemption price per share of the Fund is equal to the Fund's NAV per share. Prior to October 31, 2016, the Fund assessed a 1.00% fee on redemptions of Fund shares purchased and held for 60 days or less. These fees were deducted from the redemptions proceeds otherwise payable to the shareholder. The Fund retained the fee charged as paid-in capital and such fees became part of the Fund's daily NAV calculation.

*C. Federal Income Taxes.*

The Fund has elected to be treated as a "regulated investment company" under Subchapter M of the Internal Revenue Code of 1986, as amended. The Fund intends to distribute substantially all of its taxable income and any capital gains less any applicable capital loss carryforwards. Accordingly, no provision for Federal income taxes has been made in the accompanying financial statements.

The Fund recognizes the tax benefits of uncertain tax positions only where the position is "more likely than not" to be sustained assuming examination by tax authorities. Management has analyzed the Fund's tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on returns filed for open tax years (2016 – 2018), or expected to be taken in the Fund's 2019 tax returns. The Fund identifies its major tax jurisdictions as U. S. Federal, New York State and New York City. The Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next twelve months.

*D. Use of Estimates.*

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

*E. Reclassification of Capital Accounts.*

U. S. GAAP requires that certain components of net assets relating to permanent differences be reclassified between financial and tax reporting. These reclassifications have no effect on net assets or net asset value per share. For the year ended June 30, 2019, the Fund had no permanent book-to-tax differences.

*F. Security Transactions, Investment Income, and Distributions.*

Security transactions are accounted for on the trade date. The Fund will distribute net investment income and net capital gains, if any, at least annually. Dividend income and distributions to shareholders are recorded on the ex-dividend date, and interest income is recognized on the accrual basis. Realized gains and losses are evaluated on the basis of identified costs. Premiums and discounts on the purchase of securities are

# MATRIX ADVISORS VALUE FUND, INC.

## Notes to Financial Statements, Continued

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amortized/accreted using the effective interest method. U.S. GAAP requires that permanent financial reporting and tax differences be reclassified in the capital accounts.

### G. *Indemnification Obligations.*

Under the Fund's organizational documents, its current and former officers and directors are indemnified against certain liabilities arising out of the performance of their duties to the Fund. In addition, in the normal course of business, the Fund enters into contracts that contain a variety of representations and warranties that provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred or that would be covered by other parties.

### H. *Line of Credit.*

The Fund has a Loan Agreement with U.S. Bank, N.A. Under the terms of the Loan Agreement, the Fund's borrowings cannot exceed the lesser of \$2,800,000, 5% of the gross market value of the Fund, or 33⅓% of the net asset market value of the unencumbered assets of the Fund.

The interest rate on the loan equals the prime rate minus one percent per annum, payable monthly. For the year ended June 30, 2019, the Fund did not borrow under line of credit.

### I. *Recent Accounting Pronouncements.*

In August 2018, the Securities and Exchange Commission (the "SEC") issued Final Rule Release No. 33-10532, Disclosure Update and Simplification, which in part amends certain disclosure requirements of Regulation S-X that have become redundant, duplicative, overlapping, outdated, or superseded, in light of other SEC disclosure requirements, U.S. GAAP, or changes in the information environment. The amendments are intended to facilitate the disclosure of information to investors and simplify compliance without significantly altering the total mix of information provided to investors. The effective date for these disclosures is November 5, 2018. Management has adopted these amendments on the Fund's financial statements.

In August 2018, FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement* ("ASU 2018-13"). The primary focus of ASU 2018-13 is to improve the effectiveness of the disclosure requirements for fair value measurements. The changes affect all companies that are required to include fair value measurement disclosures. In general, the amendments in ASU 2018-13 are effective for all entities for fiscal years and interim periods within those fiscal years, beginning after December 15, 2019. An entity is permitted to early adopt the removed or modified disclosures upon the issuance of ASU 2018-13 and may delay adoption of the additional disclosures, which are required for public companies only, until their effective date. Management has adopted these amendments on the Fund's financial statements.

### J. *Subsequent Events.*

In preparing these financial statements, the Fund has evaluated events and transactions for potential recognition or disclosure through the date the financial statements were issued and determined that no events have occurred that require disclosure.

# MATRIX ADVISORS VALUE FUND, INC.

## Notes to Financial Statements, Continued

### NOTE 3 – INVESTMENT ADVISORY AND OTHER AGREEMENTS

The Fund has an investment advisory agreement with the Advisor to serve as investment advisor. Certain Officers of the Advisor are also Officers of the Fund. Under the terms of the agreement, the Fund has agreed to pay the Advisor as compensation for all services rendered, staff and facilities provided and expenses paid or assumed, an annual advisory fee, accrued daily, paid monthly, of 0.75% of the Fund's average daily net assets. For the year ended June 30, 2019 the Fund accrued \$403,632 in advisory fees.

The Advisor has contractually agreed to reduce its advisory fees and/or pay expenses of the Fund through at least October 31, 2019 to ensure that the Fund's total annual operating expenses (excluding front-end or contingent deferred loads, acquired fund fees and expenses, leverage interest, taxes, brokerage commissions, expenses incurred in connection with any merger or reorganization, and extraordinary expenses such as litigation) will not exceed 0.99% of the Fund's average daily net assets. In connection with this expense limitation, the Advisor is permitted, with Board approval, to recoup fees waived and expenses reimbursed for the prior three fiscal years if such recoupment does not cause the Fund to exceed the lesser of: (i) the expense limitation in effect at the time of waiver or reimbursement, and (ii) the expense limitation in effect at the time of recoupment. This arrangement can be terminated only by, or with the consent of, the Board of Directors.

The Advisor will only be able to recover previously waived expenses if the Fund's then current expense ratio is below the 0.99% expense cap. For the year ended June 30, 2019, the Advisor waived \$105,110 in advisory fees. Any reduction in advisory fees or payment of expenses made by the Advisor may be reimbursed by the Fund if the Advisor requests reimbursement in subsequent fiscal years.

This reimbursement may be requested if the aggregate amount actually paid by the Fund toward operating expenses for such fiscal year (taking into account the reimbursement) does not exceed the applicable limitation on Fund expenses. The Advisor is permitted to be reimbursed for fee reductions and/or expense payments made in the prior three fiscal years. Any such reimbursement will be reviewed by the Fund's Board of Directors. The Fund must pay its current ordinary operating expenses before the Advisor is entitled to any reimbursement of fees and/or expenses.

At June 30, 2019, the cumulative amount available for reimbursement that has been paid and/or waived is \$325,742. **Currently, the Advisor has agreed not to seek reimbursement of such fee reductions and/or expense payments.** The Advisor may recapture a portion of this amount no later than the dates stated below:

June 30,		
2020	2021	2022
\$113,025	\$107,607	\$105,110

The Fund's Chief Compliance Officer ("CCO") receives no compensation from the Fund; however, the Administrator was paid \$3,667 for the year ended June 30, 2019 for CCO support services.

# MATRIX ADVISORS VALUE FUND, INC.

## Notes to Financial Statements, Continued

### NOTE 4 – INVESTMENT TRANSACTIONS

The cost of purchases and the proceeds from sales of securities, other than short-term obligations and U.S. Government securities, for the year ended June 30, 2019, are as follows:

	Purchases	Sales
Common Stock	\$11,959,981	\$15,639,544

### NOTE 5 – DISTRIBUTIONS TO SHAREHOLDERS

As of June 30, 2019, the components of distributable earnings on a tax basis were as follows:

Cost of investments for tax purposes	<u>\$35,802,994</u>
Gross tax unrealized appreciation	19,214,077
Gross tax unrealized depreciation	<u>(1,541,827)</u>
Net tax unrealized appreciation on investments	17,672,250
Undistributed ordinary income	656,251
Undistributed long-term capital gains	<u>1,476,631</u>
Total Distributable Earnings	<u>2,132,882</u>
Other accumulated losses	<u>—</u>
Total Accumulated Earnings/Losses	<u>\$19,805,132</u>

The difference between book basis and tax basis unrealized depreciation is attributable primarily to the tax deferral of losses on wash sales adjustments.

As of June 30, 2019, the Fund had no capital loss carryover and post-October losses which are deferred until fiscal year 2020 for tax purposes. Capital losses incurred after October 31 (“post-October losses”) within that taxable year are deemed to arise on the first day of the Fund’s next taxable year.

As of June 30, 2019, the Fund had no qualified late-year ordinary losses, which are deferred until fiscal year 2020 for tax purposes. Net late-year losses incurred after December 31 within the taxable year are deemed to arise on the first day of the Fund’s next taxable year.

The tax character of distributions paid during the years ended June 30, 2019 and June 30, 2018 were as follows:

	June 30, 2019	June 30, 2018
Distributions Paid From:		
Ordinary Income*	\$ 697,838	\$ 685,944
Long-Term Capital Gain	<u>\$ 3,216,123</u>	<u>\$ 878,343</u>
	<u>\$ 3,913,961</u>	<u>\$ 1,564,287</u>

\* For tax purposes, short-term capital gains are considered ordinary income.

# MATRIX ADVISORS VALUE FUND, INC.

## Notes to Financial Statements, Continued

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The Fund may use earnings and profits distributed to shareholders on redemption of shares as part of the dividends paid deduction.

### NOTE 6 – FAIR VALUE

The Fund has adopted fair valuation accounting standards which establish an authoritative definition of fair value and set forth a hierarchy for measuring fair value. These standards require additional disclosure about the various inputs and valuation techniques used to develop the measurements of fair value and a discussion of changes in valuation techniques and related inputs during the period. These standards define fair value as the price that would be received in the sale of an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The fair value hierarchy is organized into three levels based upon the assumptions (referred to as “inputs”) used to value the asset or liability. These standards state that “observable inputs” reflect the assumptions that market participants would use in valuing an asset or liability based on market data obtained from independent sources. “Unobservable inputs” reflect the Fund’s own assumptions about the inputs market participants would use to value the asset or liability.

The Fund follows a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Fund’s own market assumptions (unobservable inputs). These inputs are used in determining the value of the Fund’s investments and are summarized in the following fair value hierarchy:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the company has the ability to access.
- Level 2 – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayments speeds, credit risk, yield curves, default rates and similar data.
- Level 3 – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the company’s own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities.

**MATRIX ADVISORS  
VALUE FUND, INC.**

**Notes to Financial Statements, Continued**

The following is a summary of the inputs used to value the Fund's net assets as of June 30, 2019.

<b>Description</b>	<b>Quoted prices in active markets for identical assets (Level 1)</b>	<b>Significant other observable inputs (Level 2)</b>	<b>Significant unobservable inputs (Level 3)</b>	<b>Total</b>
<b>Equity</b>				
Common Stock*	\$ 53,327,903	\$ —	\$ —	\$ 53,327,903
<b>Total Equity</b>	<u>\$ 53,327,903</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 53,327,903</u>
<b>Short-Term Investments</b>	\$ 147,341	\$ —	\$ —	\$ 147,341
<b>Total Investments in Securities</b>	<u>\$ 53,475,244</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 53,475,244</u>

\* Please refer to the Schedule of Investments for a breakout of common stocks by industry classification.

# MATRIX ADVISORS VALUE FUND, INC.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

**To the Board of Directors and  
Shareholders of Matrix Advisors Value Fund, Inc.**

### **Opinion on the Financial Statements**

We have audited the accompanying statement of assets and liabilities of Matrix Advisors Value Fund, Inc. (the “Fund”), including the schedule of investments, as of June 30, 2019, the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of June 30, 2019, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We have served as the Fund’s auditor since 1999.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of June 30, 2019 by correspondence with the custodian. We believe that our audits provide a reasonable basis for our opinion.

*Tait, Weller & Baker LLP*

TAIT, WELLER & BAKER LLP

**Philadelphia, Pennsylvania  
August 26, 2019**



# MATRIX ADVISORS VALUE FUND, INC.

## Additional Information

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### PROXY VOTING INFORMATION

The Advisor votes proxies relating to portfolio securities in accordance with procedures that have been approved by the Board of Directors of the Fund. You may obtain a description of these procedures and how the Fund voted proxies relating to the portfolio securities during the most recent 12-month period ended June 30, free of charge, by calling toll-free 1-800-366-6223. This information is also available through the Securities and Exchange Commission's website at <http://www.sec.gov>.

### FORM N-Q DISCLOSURE

The Fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission for the first and third quarters of each fiscal year on Form N-Q. The Fund's Form N-Q is available on the Securities and Exchange Commission's website at <http://www.sec.gov>. This information is also available, without charge, by calling toll-free, 1-800-366-6223.

### TAX NOTICE (UNAUDITED)

The percentage of dividend income distributed for the year ended June 30, 2019, which is designated as qualified dividend income under the Jobs and Growth Tax Relief Reconciliation Act of 2003, is 100.00%.

For the year ended June 30, 2019, the percentage of ordinary income distributions that qualify for the dividend received deduction available to corporate shareholders is 100.00%.

#### **Additional Information Applicable to Foreign Shareholders only:**

The Fund hereby designates 2.17% of its ordinary income distributions for the fiscal year as interest-related dividends under Internal Revenue Code Section 871(k)(1)(c).

# MATRIX ADVISORS VALUE FUND, INC.

## Additional Information (Unaudited), Continued

### DIRECTOR AND OFFICER INFORMATION

The Board of Directors is responsible for the overall management of the Fund's business. The Board approves all significant agreements between the Fund and persons or companies furnishing services to it, including the agreements with the Advisor, Administrator, Custodian and Transfer Agent. The Board of Directors delegates the day-to-day operations of the Fund to its Officers, subject to the Fund's investment objective and policies and to general supervision by the Board. The Statement of Additional Information includes additional information about the Fund's Directors and is available, without charge, by calling 1-800-366-6223.

The Directors and Officers of the Fund, their business addresses and principal occupations during the past five years are:

#### Interested Director

Name, Address, and Year of Birth	Position(s) Held with the Fund	Date Elected†	Principal Occupation(s) During the Past 5 Years	Number of Portfolios In Fund Complex** Overseen by Director	Other Directorships Held by Director
David A. Katz, CFA * 10 Bank Street, Suite 590 White Plains, NY 10606 (Born 1962)	Director, President and Treasurer	Since 1997	Chief Investment Officer (1986 to present) and President (1990 to present) of the Advisor, and portfolio manager of the Fund (1996 to present).	2	Trustee, Matrix Advisors Funds Trust (mutual fund) (2016 (inception) to present)

#### Independent Directors

T. Michael Tucker 10 Bank Street, Suite 590 White Plains, NY 10606 (Born 1942)	Director	Since 1997	Retired; formerly, Owner of T. Michael Tucker, a certified public accounting firm (1977 to 2005 and 2011 to 2019); formerly, Consultant, Carr Riggs & Ingram, LLP, a certified public accounting firm (2005 to 2011).	2	Trustee, Matrix Advisors Funds Trust (mutual fund) (2016 (inception) to present)
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**MATRIX ADVISORS  
VALUE FUND, INC.**

**Additional Information** (Unaudited), Continued

**Independent Directors, Continued**

Name, Address, and Year of Birth	Position(s) Held with the Fund	Date Elected†	Principal Occupation(s) During the Past 5 Years	Number of Portfolios In Fund Complex** Overseen by Director	Other Directorships Held by Director
Larry D. Kieszek 10 Bank Street, Suite 590 White Plains, NY 10606 (Born 1950)	Director and Chairman	Since 1997	Retired; formerly, Partner of Purvis, Gray & Company, a certified public accounting firm (1974 to 2015).	2	Trustee, Matrix Advisors Funds Trust (mutual fund) (2016 (inception) to present)
David S. Wyler 10 Bank Street, Suite 590 White Plains, NY 10606 (Born 1969)	Director	Since 2016	Vice President of Advanced TV & Digital Video at IRI Worldwide (market research company) (December 2017 to present); Vice President of Business Development, iQ Media (audience intelligence firm) (May to September 2017); Senior Director of Sales at Simulmedia (TV targeting company) (2016 – 2017); Vice President of Business Development at Resonate (marketing intelligence firm) (2014 – 2016); Vice President Business Development, Experian (2013 – 2014).	2	Trustee, Matrix Advisors Funds Trust (mutual fund) (2016 (inception) to present)

**MATRIX ADVISORS  
VALUE FUND, INC.**

**Additional Information** (Unaudited), Continued

**Officers of the Fund**

Name, Address, and Year of Birth	Position(s) Held with the Fund	Date Elected†	Principal Occupation(s) During the Past 5 Years	Number of Portfolios In Fund Complex** Overseen by Director	Other Directorships Held by Director
Lon F. Birnholz 10 Bank Street, Suite 590 White Plains, NY 10606 (Born 1960)	Executive Vice President and Secretary	Since 2006	Senior Managing Director of the Advisor (1999 to present).	N/A	N/A
Steven G. Roukis, CFA 10 Bank Street, Suite 590 White Plains, NY 10606 (Born 1967)	Senior Vice President	Since 2000	Managing Director and Senior Portfolio Manager of the Advisor (2005 to present).	N/A	N/A
Jordan F. Posner 10 Bank Street, Suite 590 White Plains, NY 10606 (Born 1957)	Senior Vice President	Since 2006	Managing Director and Senior Portfolio Manager of the Advisor (2005 to present).	N/A	N/A
Stephan J. Weinberger, CFA 10 Bank Street, Suite 590 White Plains, NY 10606 (Born 1955)	Senior Vice President	Since 2010	Managing Director and Senior Portfolio Manager of the Advisor (2010 to present).	N/A	N/A

# MATRIX ADVISORS VALUE FUND, INC.

## Additional Information (Unaudited), Continued

### Officers of the Fund, Continued

Name, Address, and Year of Birth	Position(s) Held with the Fund	Date Elected <sup>†</sup>	Principal Occupation(s) During the Past 5 Years	Number of Portfolios In Fund Complex** Overseen by Director	Other Directorships Held by Director
Jonathan Tom 10 Bank Street, Suite 590 White Plains, NY 10606 (Born 1983)	Senior Vice President	Since 2016	Chief Operating Officer of the Advisor (2015 to present); Head Fixed Income Trader of the Advisor (2011 to present); Equity Research Analyst of the Advisor (2005 to present).	N/A	N/A
Conall Duffin 10 Bank Street, Suite 590 White Plains, NY 10606 (Born 1975)	Vice President, Assistant Secretary, Chief Compliance Officer and AML Compliance Officer	Since 2002	Chief Compliance Officer of the Advisor (2016 to present); Vice President Marketing and Mutual Fund Services of the Advisor (2010 to present).	N/A	N/A

\* "Interested person" of the Fund, as that term is defined by the 1940 Act. Mr. Katz is considered an "interested person" because of his affiliation with the Advisor.

\*\* The "Fund Complex" includes the Fund and a series of Matrix Advisors Funds Trust.

† Each Director will hold office for an indefinite term until the earliest of (i) the next meeting of shareholders, if any, called for the purpose of considering the election or re-election of such Director and until the election and qualification of his or her successor, if any, elected at such meeting, or (ii) the date of a Director's death, resignation or retirement, or a Director is removed by the shareholders, in accordance with the Fund's By-Laws, as amended, and Articles of Incorporation of the Fund, as amended.

# MATRIX ADVISORS VALUE FUND, INC.

## PRIVACY NOTICE

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The Fund collects non-public information about you from the following sources:

- Information we receive about you on applications or other forms;
- Information you give us orally; and
- Information about your transactions with us or others.

We do not disclose any non-public personal information about our shareholders or former shareholders without the shareholder's authorization, except as required or permitted by law or in response to inquiries from governmental authorities. We restrict access to your personal and account information to those employees who need to know that information to provide products and services to you. We may disclose that information to unaffiliated third parties (such as to brokers or custodians) only as permitted by law and only as needed for us to provide agreed services to you. We maintain physical, electronic and procedural safeguards to guard your non-public personal information.

If you hold shares of the Fund through a financial intermediary, including, but not limited to, a broker-dealer, bank, or trust company, the privacy policy of your financial intermediary would govern how your nonpublic personal information would be shared by those entities with nonaffiliated third parties.

**Board of Directors**

David A. Katz, CFA  
Larry D. Kieszek  
T. Michael Tucker  
David S. Wyler

**Investment Advisor**

Matrix Asset Advisors, Inc.  
10 Bank Street, Suite 590  
White Plains, NY 10606  
(800) 366-6223

**Custodian**

U.S. Bank, N.A.  
1555 N. RiverCenter Drive, Suite 302  
Milwaukee, WI 53212

**Transfer Agent**

U.S. Bancorp Fund Services, LLC  
615 East Michigan Street  
Milwaukee, WI 53202

**Administrator**

U.S. Bancorp Fund Services, LLC  
2020 East Financial Way, Suite 100  
Glendora, CA 91741

**Independent Registered Public  
Accounting Firm**

Tait, Weller & Baker LLP  
50 South 16th Street, Suite 2900  
Philadelphia, PA 19102

**Distributor**

Quasar Distributors, LLC  
777 East Wisconsin Avenue  
Milwaukee, WI 53202-5207

This report is intended for shareholders of the Fund and may not be used as sales literature unless preceded or accompanied by a current prospectus.

Past performance results shown in this report should not be considered a representation of future performance. Share price and returns will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Statements and other information herein are dated and are subject to change.

**Annual Report**

**MATRIX  
ADVISORS  
VALUE FUND, INC.**

**June 30, 2019**

**10 Bank Street, Suite 590  
White Plains, NY 10606**

**Ticker Symbol: MAVFX  
Cusip: 57681T102**

Beginning in February 2021 for the Fund, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Fund's shareholder reports like this one will no longer be sent by mail, unless you specifically request paper copies of the reports from the Fund or from your financial intermediary, such as a broker-dealer or bank. Instead, the reports will be made available on a website, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. If you invest through a financial intermediary, you may elect to receive shareholder reports and other communications electronically from the Fund by contacting your financial intermediary. If you invest directly with the Fund, you will receive shareholder reports electronically beginning in February 2021.

You may elect to receive all future shareholder reports in paper free of charge. You can request to continue receiving paper copies of your shareholder reports by contacting your financial intermediary or, if you invest directly with the Fund, calling 1-800-366-6223 to let the Fund know of your request.